Union of Myanmar
Form (2)
Sr. No. 3872
Dated 28.7.99
Myanmar Investment Commission

The Myanmar Investment Commission

PERMIT

Permit No. 325 / 99 Date 28th JULY, 1999

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. ROH HAI YONG

(b) Citizenship KOREAN

(c) Address 8-4, YOWOL, DONG- 01, JONG- KU, PUCHON- SHI KYUNG- GI, DO, SOUTH KOREA.

(d) Name and address of principal organization -

(e) Place of incorporation -

(f) Type of business in which investment is to be made PRODUCTION OF GARMENTS

(g) Place (s) at which investment is permitted PLOT NO. 213,214,215, 222,223 AND 224, SHWE PAUK KAN INDUSTRIAL QUARTER, NORTH OKKALAPA TOWNSHIP, YANGON.

(h) Amount of foreign capital US $ 1.320 MILLION

(i) Period for bringing in foreign capital WITHIN 12 MONTHS AFTER SIGNING THE J.V AGREEMENT.

(j) Total amount of capital (Kyat) 8.340 MILLION (KYAT EIGHT MILLION, TREE HUNDRED AND FORTY THOUSAND ONLY)

(k) Permitted duration of investment 15 YEARS

(l) Name of the economic organization to be formed in Myanmar D.H JIN SUNG MANUFACTURING COMPANY LIMITED.

Chairman

The Myanmar Investment Commission

(၂)

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၃၂၁/၉၉ ၁၉၉၉ခုနှစ်၊ ဇူလိုင် လ ၂၈ ရက်

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. ROH HAI YONG

(ခ) မည်သည့်နိုင်ငံသား KOREAN

(ဂ) နေရပ်လိပ်စာ 8-4, YOWOL, DONG-01, JONG-KU, PUCHON-SHI KYUNG- GI, DO, SOUTH KOREA.

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား အထည်ချုပ်လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် ၂၁၃၊ ၂၁၄၊ ၂၁၅၊ ၂၂၂၊ ၂၂၃၊ ၂၂၄၊ ရွှေပေါက်ကံစက်မှုဇုန်၊ မြောက်ဥက္ကလာပမြို့နယ်၊ ရန်ကုန်မြို့

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၁.၃၂ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ဖက်စပ်စာချုပ်လက်မှတ်ရေးထိုးပြီး ၁၂ လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) ၈.၃၄၀ သန်း (ကျပ်ရှစ်သန်းသုံးသိန်းလေးသောင်းတိတိ)

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၁၅ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် D.H JIN SUNG MANUFACTURING COMPANY LIMITED.

ဥက္ကဋ္ဌ

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/475/99 (3872)
Dated :28th July 1999

Tel : 272219, 272855
Fax : 095-01-282101

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garments" under the name of "D.H Jin Sung Manufacturing Co., Ltd.".

Reference: Ministry of Construction letter No. 28/Khwe-3/99 (C-1926) dated 21-6-99.

1. The Myanmar Investment Commission, at its meeting 10/99 held on 25-6-99 had reviewed the proposal for investment in "Manufacturing of Garments" under the name of "D.H Jin Sung Manufacturing Co., Ltd." submitted as a Joint Venture among U Thein Oo, Mr. Roh Hai Yong and Mr. Son In Hwan of Korea. After careful review, it was deliberated that the proposed project be approved in principal for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 24/99 held on (8 -7-99) resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 15(Fifteen) years from the date of signing of the Lease Agreement and extendible for another 5(Five) years upon mutual agreement between Department of Human Settlement and Housing Development and D.H Jin Sung Manufacturing Co., Ltd. At the expiry of the leased period, D.H Jin Sung Manufacturing Co., Ltd. shall transfer the leased land and immovable properties on it to the Department of Human Settlement and Housing Development within 3(Three) months in good condition, ground damages having been refilled or repaired.

4. D.H Jin Sung Manufacturing Co., Ltd. shall provide a Performance Bank Guarantee to the amount of US $ 41,700 (United States Dollars Forty One Thousand and Seven Hundred Only) in favour of the Department of Human Settlement and Housing Development within 30(Thirty) days after signing of the lease agreement.

5. The annual rent shall be US $ 3 (United States Dollars Three Only) per square metre per annum for the project area of 1.429 acres (5783.36 square meters) to the amount of US $ 17,350 (United States Dollars Seventeen Thousand Three Hundred and Fifty Only). The rent shall be revised in view of prevailing land lease rates after every five year period and increase of the rent shall not be more than 15(Fifteen) percent of the preceeding annual rent.

6. Party "A" namely, Myanmar Citizen Investor shall have the right of option to purchase up to 15% of shares by 5% at a time within ten years after three years period of operation.

7. D.H Jin Sung Manufacturing Co., Ltd. shall pay for maintenance of the Industrial Zone management fee as prescribed by the Management Committee of the Industrial Zone.

8. In issuing this "Permit" the Commission has granted the following exemptions and reliefs:

(a) As per Section-21(a), exemption from income-tax up to 36(Thirty Six) months starting from the months of commencement of commercial operation.

(b) As per Section-21(b), regarding exemption from income-tax on profits of the business if they are maintained in a reserve fund and re-invested therein within one year after the reserve is made, D.H Jin Sung Manufacturing Co., Ltd. shall apply for such exemption only after 3-year tax holiday period.

(c) As per Section-21(c), D.H Jin Sung Manufacturing Co., Ltd. shall be granted to accelerate depreciation in respect of machinery, equipment, building or other capital assets used in the business to the extent of the original value for the purpose of income-tax assessment. However, D.H Jin Sung Manufacturing Co., Ltd. shall have to apply to the Commission such rates of depreciation.

(d) As per Section-21(d), relief from income-tax up to 50 percent on profits accrued from exports, such relief has to be applied, upon actual performance, following 3-year tax holiday period.

(e) As per Section-21(e), D.H Jin Sung Manufacturing Co., Ltd. shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.

(f) As per Section-21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(g) As per Section-21(g), regarding the right to deduct from the assessable income such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, D.H Jin Sung Manufacturing Co., Ltd. shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(h) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, D.H Jin Sung Manufacturing Co., Ltd. shall file the case, if any, to the Ministry of Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(i) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(j) As per Section-21(j), exemption from customs duty and all other internal taxes on such raw materials and additional import of machinery, equipment and spare parts which are actually required for operation of the business shall be granted within three years of commercial operation following the period of construction.

9. Mr. Roh Hai Yong shall have to sign Joint Venture Agreement with Mr. Son In Hwan and U Thein Oo. D.H Jin Sung Manufacturing Co., Ltd. shall have to sign the Lease Agreement with the Department of Human Settlement and Housing Development. After signing such Agreements, (5) copies each of those shall have to be forwarded to the Commission.

10. D.H Jin Sung Manufacturing Co., Ltd., in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

11. D.H Jin Sung Manufacturing Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

12. The official date of operation shall be reported to the Commission.

13. D.H Jin Sung Manufacturing Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. D.H Jin Sung Manufacturing Co., Ltd. shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

15. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

16. Whenever D.H Jin Sung Manufacturing Co., Ltd. brings in foreign capital defined under Section 2(h) of the said Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

18. D.H Jin Sung Manufacturing Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over-run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. D.H Jin Sung Manufacturing Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

20. D.H Jin Sung Manufacturing Co., Ltd. shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

21. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of D.H Jin Sung Manufacturing Co., Ltd.

22. D.H Jin Sung Manufacturing Co., Ltd., in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig-Gen Maung Maung
Secretary

Mr. Roh Hai Yong
8-4 Yowol, Dong-01, Jong-Ku, Puchon-Shi
Kyung-Gi, Do, South Korea.
c/o Director General
Department of Human Settlement and Housing Development

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Office of the Strategic Studies, Ministry of Defence
5. Ministry of National Planning and Economic Development
6. Ministry of Finance and Revenue
7. Ministry of Commerce
8. Ministry of Construction
9. Ministry of Foreign Affairs
10. Ministry of Home Affairs
11. Ministry of Immigration and Population
12. Ministry of Labour
13. Ministry of Electric Power
14. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor, Central Bank of Myanmar)
15. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
16. Director General, Directorate of Investment and Company Administration
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Chairman, Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)